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Editorial: Prescription for disaster

THE ISSUE

The U.S. does not cap prescription drug prices, unlike most other countries.

OUR VIEW

With our health care costs skyrocketing, it's time for us to reconsider our policy.

There is a good chance you already host the parasite toxoplasmosis. The good news is, you may never know it. Only children, pregnant mothers and those with weakened immune systems are at risk for developing symptoms. But for those who do, the symptoms can be severe, even fatal. The medication used to treat patients, pyrimethamine, has been available since 1953.

Enter Martin Shkreli, hedge fund manager and founder of Turing Pharmaceuticals. After purchasing the marketing rights of Daraprim, the drug's common name, from CorePharma, Shkreli inspired international indignation when he upped the price of the drug by over 5,000 percent from \$13.50 per pill to \$750. According to an article Thursday by NBC News'

Maggie Fox, the Infectious Diseases Society of America and the HIV Medicine Association estimated it would cost \$336,000 a year to treat someone at that price. Shkreli has promised to decrease the price, but no drop has been forthcoming. In a hilarious revenge of the free market, Imprimis Pharmaceuticals announced this week it would begin manufacturing a generic approximation of Daraprim and sell it for \$1 per pill.

In this case, the Internet outrage machine has conspired with capitalism to bring a happy ending for sick patients, but Shkreli is but one player in a much larger drama. Unlike many other countries around the world, America has no governmental cap on how much drug manufacturers can charge. Competition for widely used treatments generally tamps this down somewhat as those who charge too much will see their sales fall as interlopers undercut them on price. But, as was true with Daraprim until recently, even though no company has a patent on this drug itself, the fact that the market for it is relatively small has turned it into a de facto monopoly with no competition of which to speak.

According to a study by the U.S. International Trade Administration, aggregate drug prices in countries which do control cost are 18 percent to 67 percent lower than ours. This is no insignificant fact as between 2008 and 2012 the price of our prescription drugs has outpaced inflation by more than 50 percent. In fact, as an April 14 article by Time's Alexandra Sifferlin

pointed out, Americans filled 4.3 billion prescriptions and doled out nearly \$374 billion on medicine in 2014, according to the IMS Institute for Healthcare Informatics.

It's time for our country to seriously consider joining the rest of developed world. Inaction is not an option as Shkreli and his ilk will continue turning obscene profits off the misery of others at every opportunity